

NEW YORK POST

28 January 1985

ARTICLE APPEARED
ON PAGE 25**INSIDE WASHINGTON****BY NILES LATHEM**

Casey protects the right flank

CIA Director William Casey has emerged as a key powerhouse in the behind-the-scenes maneuvering over rebuilding President Reagan's team in the wake of the departure of longtime Reagan aides from California.

Insiders say that the CIA spymaster has become "heavily involved" in the negotiations with incoming White House Chief of Staff Donald Regan over staffing the White House and is using his clout with the President as well as his longstanding friendship with Regan to insure that the next Reagan team will carry more conservative credentials than the last.

Administration officials say that Casey is quietly emerging as the keeper of the conservative flame in the Reagan administration in the wake of the departure of Interior Secretary William Clark and Presidential Counsellor Edwin Meese and is pushing his friends, rejecting his enemies and making sure that most candidates for big White House jobs are being "cleared," through him.

Among the moves Casey has made include the pushing of former General Services Administration chief Gerald Carmen as White House political director — although that job may still go to respected 1984 Reagan campaign manager Ed Rollins.

Casey also was an enthusiastic supporter of the switch between Regan and Treasury Secretary-designate James Baker, and many officials believe that the dramatic changeover would have never occurred without his support.

Casey's personal distaste for Baker and opposition to some of the White House positions during the last four years were well publicized.

The involvement of a CIA director in political planning and White House personnel is unprecedented in U.S. history.

In the past, CIA chiefs have been strictly apolitical and virtually shunned by White House staffers and presidents.

But Casey, the Long Island lawyer who masterminded Reagan's first campaign and who is one of five original Cabinet members left, carries political skills that Reagan deeply admires, say insiders.

Officials believe that as a result of his influence with the president and his friendship with Regan, Casey will emerge as a dominant voice in the shaping of U.S. foreign policy in the second Reagan term.

★★★

DESPITE Casey's insistence on appointing conservatives at the White House, he is currently involved in

a bitter feud with the right wing of the GOP over a key personnel decision in his own shop at Langley.

Insiders say that the CIA's Deputy Director John McMahon is planning to resign soon for a job in private business.

Casey's top choices to replace McMahon are Lionel Olmer, a former Regan deputy at the Treasury Dept., and Robert Gates, now in charge of CIA estimates.

But conservative groups are outraged by these choices — especially Gates, who is considered to be a close associate of David Aaron, a former adviser to Walter Mondale and Deputy National Security Council adviser in the Carter administration.

They are pushing Gen. Paul Gorman, the controversial and outgoing commander of the U.S. Southern Command in Panama, but are expected to be rebuffed.

★★★